

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**

**BOARD OF ADMINISTRATION**

**INVESTMENT COMMITTEE**

**December 12, 2005**

**Chief Investment Officer's**

**Consolidated Investment Activity Report**

**(October 2005 Reporting Period)**

## Market Environment – October 31, 2005

### General Market Commentary

Equity and fixed income markets uniformly declined in October, after strong September gains. The unemployment rate declined marginally to 5.0% and wages rose. Consumer prices rose by 0.2%.

### Domestic and International Equities

Equity markets around the world fell in October. The U.S. market saw small-capitalization equities lead the decline. Small-cap growth stocks fell by -3.7% (Russell 2000 Growth) and small-cap value fell by -2.5% (Russell 2000 Value). Value equities showed signs of relative weakness among large-cap stocks, falling by -2.5% to growth stocks' -1.0% (Russell 1000 Value and Growth). Internationally, the developed markets fell by -2.9% (MSCI EAFE, US \$), and emerging markets declined by -6.6% (MSCI EMF, US \$).

### Domestic and International Fixed Income

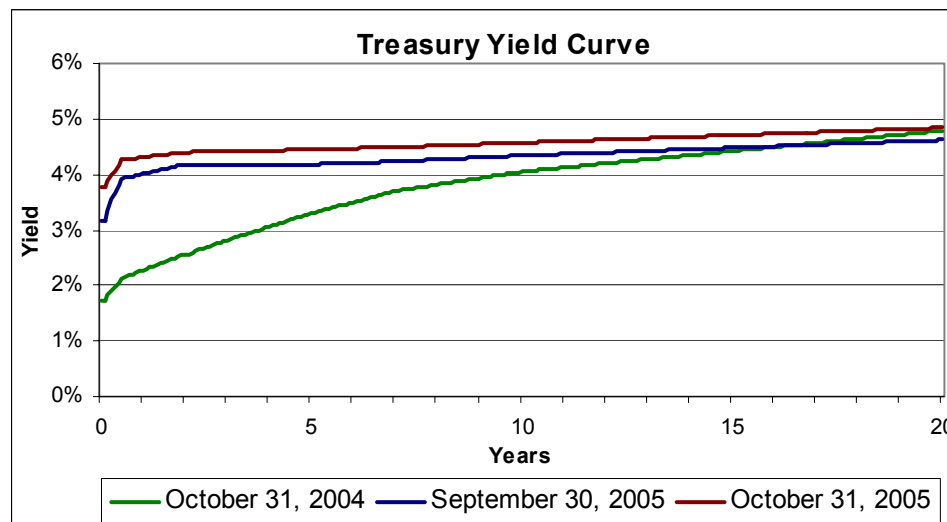
Fixed income fell across all U.S. sectors as rates rose. Longer-dated securities fell the most, with long-term corporates declining -2.2% (LB US Credit Long) and long-term Treasuries falling by -1.9% (LB US Gov't Long). The LB Aggregate Index declined by -0.8%. Non-U.S. sovereign debt declined by -2.1% (Citi WGBI ex US).

### Real Estate

Real estate, as measured by the NAREIT Equity Index, declined by -2.4% in October. The NCREIF Index of Real Estate Properties returned 4.4% in the quarter ended September 2005.

### Private Equity, Absolute Return Strategies

The Venture Economics All Private Equity Index returned 20.4% for the 12 months ended June 2005 and 12.7% for the 10 years ended June 2005. Absolute Return funds (CSFB/Tremont Hedge Fund Index) returned -1.5% in October 2005 and 8.8% in the 12 months ended October 2005.



MARKET INDICATORS	10/29/2004	Direction	9/30/2005	Direction	10/31/2005
1m LIBOR (fixed in \$)	2.00%	▲	3.86%	▲	4.09%
Federal Funds	1.75%	▲	3.75%	▲	4.00%
10Y Treasury Note Yield	4.03%	▲	4.34%	▼	4.33%
30Y Treasury Bond Yield	4.79%	▼	4.57%	▲	4.76%
DJ-Wilshire 5000 Comp	11,056.50	▲	12,282.87	▼	12,043.73
S&P 500	1,130.20	▲	1,228.81	▼	1,207.01
NASDAQ Composite	1,974.99	▲	2,151.69	▼	2,120.30
FTSE 100 Index	4,624.20	▲	5,477.70	▼	5,317.30
Nikkei 225 Index	10,771.42	▲	13,574.30	▲	13,606.50
Yen/\$ (Dollar Strength)	106.040	▲	113.290	▲	116.360
Euro/\$ (Dollar Strength)	0.785	▲	0.829	▲	0.834
GBP/\$ (Dollar Strength)	0.545	▲	0.565	▲	0.565
Crude Oil per Barrel	\$ 51.76	▲	\$ 66.79	▼	\$ 66.24
Gold (\$/oz Daily Spot)	\$ 425.55	▲	\$ 473.25	▼	\$ 470.75
GS Commodities Index	\$ 354.38	▲	\$ 469.56	▼	\$ 422.88

## CalPERS Asset Allocation – October 31, 2005

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### Summary

- Total Fund Market Value was \$193.8 Billion
- Total Fund Book Value was \$153.0 Billion
- All Asset Classes are within their permissible ranges relative to target ranges and strategic target levels.

### Book to Market Value Comparison

	Book Value (\$ Billion)	Market Value (\$ Billion)	Difference (\$ Billion)
<b>Total Cash Equivalents</b>	<b>\$2.5</b>	<b>\$2.5</b>	<b>\$0.0</b>
<b>Total AIM Direct/Partnership</b>	<b>\$11.6</b>	<b>\$10.0</b>	<b>-\$1.7</b>
<b>Total Global Fixed Income</b>	<b>\$49.1</b>	<b>\$49.1</b>	<b>\$0.0</b>
Domestic Equities <sup>1</sup>	\$46.6	\$77.7	\$31.1
International Equities	\$35.7	\$45.2	\$9.6
<b>Total Global Equities</b>	<b>\$82.3</b>	<b>\$122.9</b>	<b>\$40.7</b>
<b>Total Real Estate</b>	<b>\$7.6</b>	<b>\$9.4</b>	<b>\$1.8</b>
<b>Total Equities and Real Estate</b>	<b>\$89.8</b>	<b>\$132.3</b>	<b>\$42.5</b>
<b>Total Fund</b>	<b>\$153.0</b>	<b>\$193.8</b>	<b>\$40.8</b>

<sup>1</sup> Included is MDP Investment - LM Capital Investment: Total Book Value=**\$181.3M**, Total Market Value=**\$178.4M**.

\* Figures for this report are rounded for viewing purposes. Calculations are based on actual values. When summing net amounts on this report, there may be breakage.

### Top Company Exposures

- As a very significant institutional investor, CalPERS has large exposures to the securities of many corporations either through internal or externally managed portfolios. Consistent with board requested information and in support of the Board of Administration's oversight role, a schedule of the top 20 company exposures is prepared for informational purposes and can be found on Page 4.

## CalPERS Total Fund Top 20 Company Exposures

Based on Total Market Values as of 10/31/2005

Company Name	Equity Exposure				Total Equity Market Value	Fixed Income Exposure			Total FI Market Value	Real Estate Exposure (1)	TOTAL Market Value	% of Total Fund(3)
	Internally Managed Active	Passive	Externally Managed Active	Passive		Internal	External	Sec. Lending(2)				
GENERAL ELECTRIC	194,076,323	1,351,032,047	179,898,654		1,725,007,024	48,225,912	68,177,936	630,781,409	747,185,257		2,472,192,281	0.93%
EXXON MOBIL CORP	144,571,616	1,358,717,122	193,071,186		1,696,359,924				0		1,696,359,924	0.86%
MICROSOFT CORP	206,608,134	1,049,534,030	139,459,868		1,395,602,032				0		1,395,602,032	0.70%
CITIGROUP	148,662,401	892,641,330	175,113,078		1,216,416,809	81,989,270	29,264,951		111,254,221		1,327,671,030	0.67%
WAL MART STORES INC	139,313,521	761,151,666	51,199,828		951,665,015	110,139,150	1,153,982		111,293,132		1,062,958,147	0.54%
HSBC HOLDINGS	0	88,085,130	40,314,591	366,903,452	495,303,173	295,910,600	10,552,249	202,503,930	508,966,779		1,004,269,952	0.40%
JPMORGAN CHASE & CO	54,534,101	493,688,458	53,018,436		601,240,995	153,574,683	3,130,736	207,944,740	364,650,159	8,828,590	974,719,744	0.39%
PROCTER + GAMBLE CO	118,923,656	749,816,512	73,324,056		942,064,224	5,001,675			5,001,675		947,065,899	0.48%
JOHNSON + JOHNSON	111,287,012	694,981,808	101,954,753		908,223,573				0		908,223,573	0.46%
BANK OF AMERICA	53,130,672	666,855,666	112,837,215		832,823,553	44,619,223	12,912,549		57,531,772		890,355,325	0.45%
CHEVRONTXACO CORP	104,002,428	489,660,600	98,227,686		691,890,714	119,281,800	18,333,799		137,615,599		838,334,903	0.42%
PFIZER INC	108,023,516	613,891,946	93,964,954		815,880,416	5,686,799			5,686,799		821,567,215	0.41%
BRITISH PETROLEUM	0	115,656,818	56,600,706	481,308,002	653,565,526	140,000,000			140,000,000		793,565,526	0.40%
AMERICAN INTL GROUP INC	78,324,538	629,136,720	59,071,680		766,532,938	9,332,153	4,502,632		13,834,785		780,367,723	0.39%
INTEL CORP	99,733,789	566,486,300	84,069,394		750,289,483				0		750,289,483	0.38%
BERKSHIRE HATHAWAY	99,373,595	470,849,810	21,473,900		591,697,305			149,977,500	149,977,500		741,674,805	0.30%
ROYAL DUTCH SHELL	0	106,926,229	131,481,410	449,204,591	687,612,230				0		687,612,230	0.35%
INTERNATIONAL BUSINESS I	100,858,965	524,425,024	45,184,659		670,468,648	8,443,094			8,443,094		678,911,742	0.34%
VERIZON	33,521,441	323,273,694	38,785,659		395,580,794	268,809,397	8,719,948		277,529,345		673,110,139	0.34%
CIT GROUP INC. (THE)	18,737,364	33,776,178	18,894,493		71,408,035	27,596,474	4,433,249	545,623,985	577,653,708		649,061,743	0.05%

(1) Real Estate exposure data only includes the 20 companies with the highest annual lease revenues for each core partnership, excludes properties in escrow. The market value exposures are calculated based only on two years of expected lease revenues.

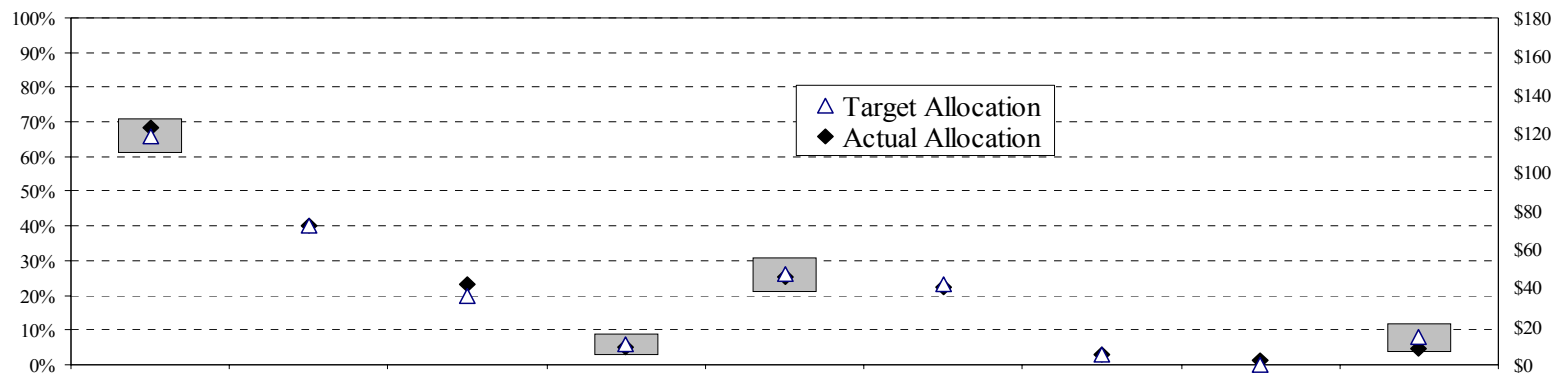
(2) Does not include Repos

(3) Excludes securities lending exposure

# CaIPERS

## Asset Allocation as of October 31, 2005

Total Fund Market Value: **\$193,840,143,996**



	Total Equity	Domestic Equity	Non-U.S. Equity	Private Equity	Global Fixed	Domestic Fixed	Non-U.S. Fixed	Cash <sup>2</sup>	Real Estate	Total Fund
Target Range	61-71%	N/A	N/A	3-9%	21-31%	N/A	N/A	N/A	4-12%	N/A
Strategic %	66.0%	40.0%	20.0%	6.0%	26.0%	23.0%	3.0%	0.0%	8.0%	N/A
Actual %	68.6%	40.1%	23.3%	5.1%	25.3%	22.5%	2.8%	1.3%	4.8%	N/A
Variance %	2.6%	0.1%	3.3%	(0.9%)	(0.7%)	(0.5%)	(0.2%)	1.3%	(3.2%)	N/A
Strategic \$ <sup>3</sup>	\$127.9	\$77.5	\$38.8	\$11.6	\$50.4	\$44.6	\$5.8	\$0.0	\$15.5	N/A
Actual \$ <sup>3,4</sup>	\$132.9	\$77.7	\$45.2	\$10.0	\$49.1	\$43.7	\$5.4	\$2.5	\$9.4	N/A
Variance \$ <sup>3</sup>	\$5.0	\$0.2	\$6.5	(\$1.7)	(\$1.3)	(\$0.9)	(\$0.4)	\$2.5	(\$6.1)	N/A
% Passive	65.6%	81.5%	52.9%	0.0%	0.0%	0.0%	0.0%	0.0%	4.5%	45.2%
% Active	34.4%	18.5%	47.1%	100.0%	100.0%	100.0%	100.0%	100.0%	95.5%	54.8%
% Internal <sup>1</sup>	51.7%	81.5%	12.0%	0.0%	88.4%	99.3%	0.0%	45.1%	4.5%	58.6%
% External <sup>1</sup>	48.3%	18.5%	88.0%	100.0%	11.6%	0.7%	100.0%	54.9%	95.5%	41.4%

MDP Venture accounts included in MDP's primary asset class. MDP Fixed and Enhanced Index Equity roll to External Domestic Equity.

<sup>1</sup> For cash percentage only, average over previous 6 months.

<sup>2</sup> Cash includes SMIF at STO.

<sup>3</sup> (\$ Billion)

<sup>4</sup> Based upon Trade Date Accounting as recommended by CFA Institute GIPS Standards.

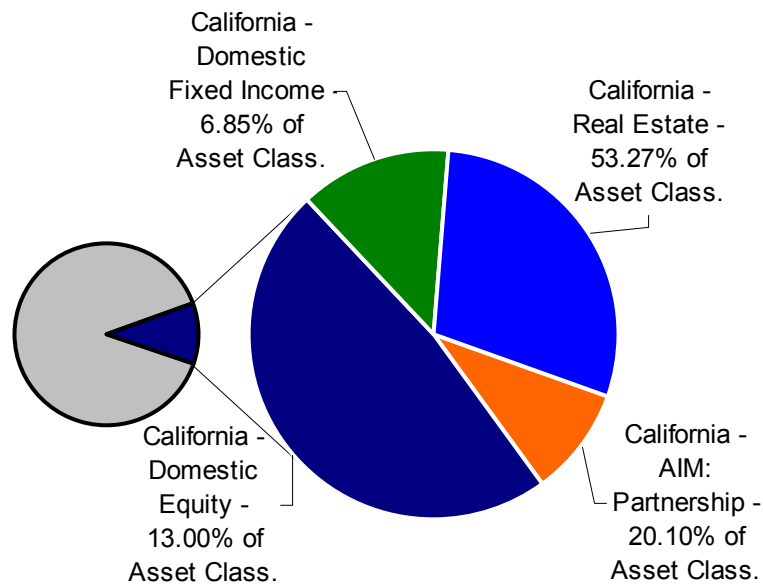
Private Equity Asset Allocation as of 10/31/2005			
Funded	\$(in Billions)	% Allocation	Target Range
Current Market Value	\$9.95	5.1%	
Unfunded Commitment	\$10.50	5.4%	
<b>Current Market Value plus Unfunded Commitment</b>	<b>\$20.45</b>	<b>10.6%</b>	<b>3-9%</b>

## CalPERS Investments in the State of California – October 31, 2005

The State of California offers CalPERS a number of attractive investment opportunities. The following charts summarize the investments by asset class as of the date of this report. A detailed report on California investments is available in the supplemental reporting document.

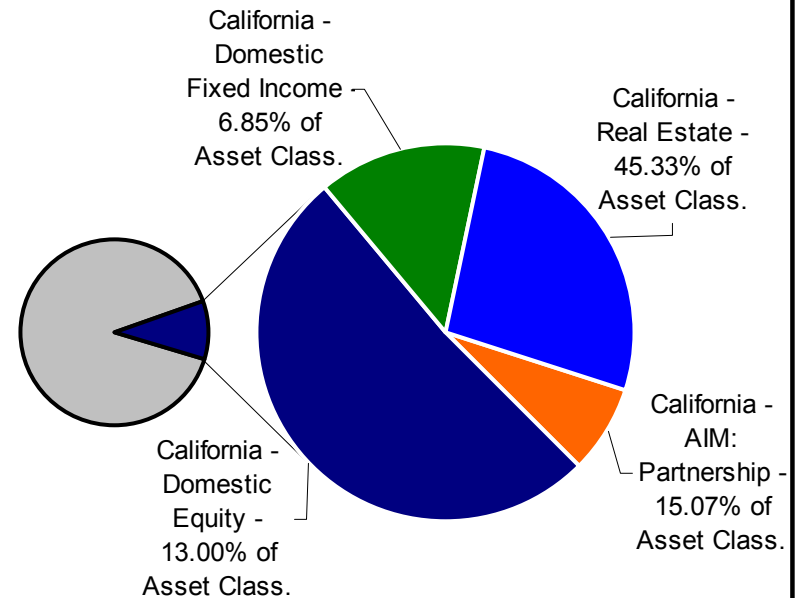
### California Commitments (includes unfunded investments)

Current California Commitments at 10/31/2005 Total Fund %: 10.88%



### California Investments

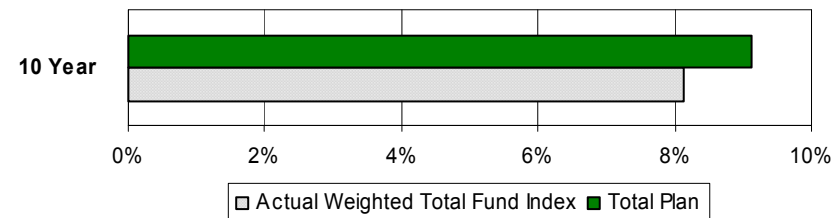
Current California Investments at 10/31/2005 Total Fund %: 10.15%



## Performance Summary – October 31, 2005

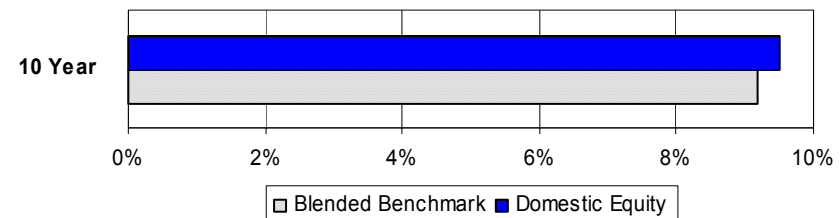
### Total Plan:

Net Total Fund returns have exceeded the Policy Index in all periods shown. Ten-year net returns were 9.13% versus 8.13% for the actual weighted index.



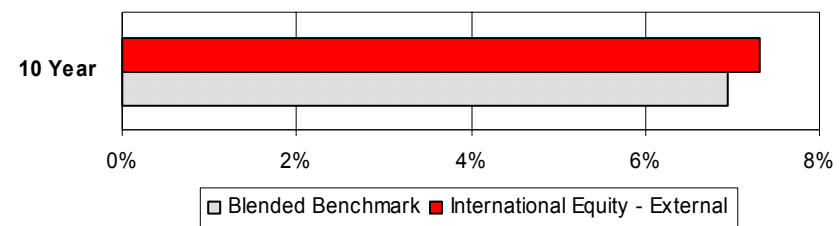
### Domestic Equity:

Net Domestic Equity returns have exceeded the Blended Index in all periods shown. Ten-year net returns were 9.51% versus 9.19% for the blended benchmark.



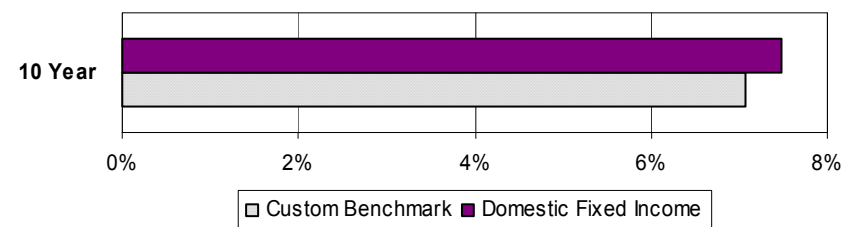
### International Equity:

Net International Equity (External) returns including the currency overlay (which has hindered medium-term returns) generally outperformed all but medium-term blended benchmark returns. Despite observed medium-term underperformance, ten-year net returns were 7.31% (6.96% without currency overlay) versus 6.95% for the blended benchmark. The Internal portfolio has returned 9.57% since 5/1/2005 inception (exceeding its benchmark of 9.21%)



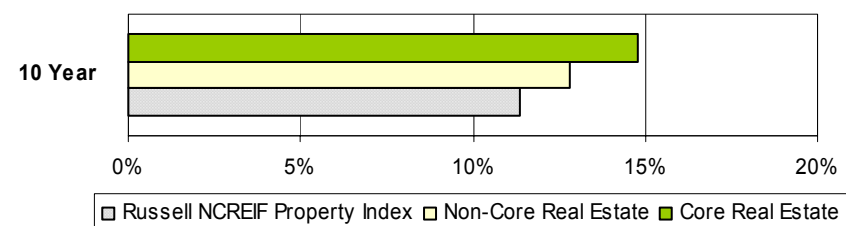
### Domestic Fixed Income:

Net Domestic Fixed Income returns have exceeded the custom benchmark in all periods shown. Ten-year net returns were 7.47% versus 7.08% for the custom benchmark.



### Real Estate:

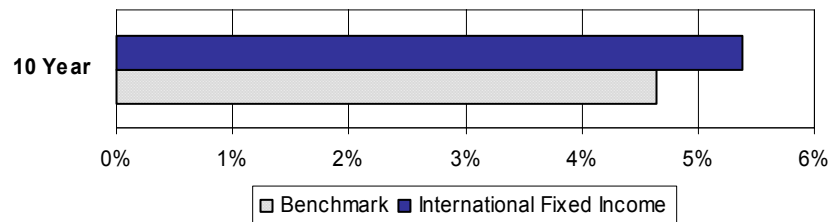
Net returns to the Core Portfolio have exceeded the NCREIF Property benchmark in all relevant periods shown. Non-core portfolio returns have exceeded the benchmark in all periods shown except for the one-quarter-to-date. Ten-year net returns were 14.77% for the Core Real Estate portfolio and 12.81% for Non-Core Real Estate versus 11.37% for the lagged benchmark.



## Performance Summary – October 31, 2005

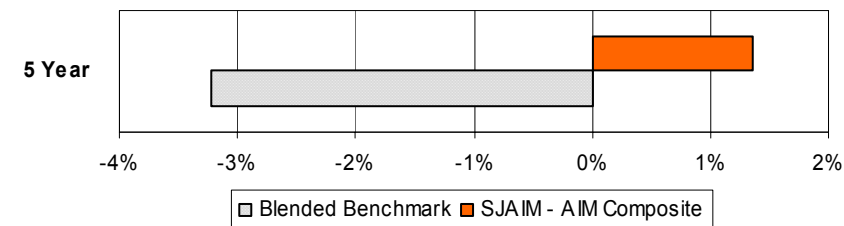
### International Fixed Income:

Net International Fixed Income returns have exceeded the benchmark in all periods shown except for the month-to-date. Ten-year net returns were 5.38% versus 4.64% for the benchmark.



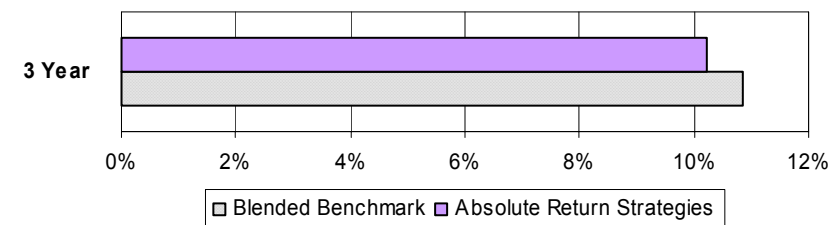
### Alternative Investments:

Net returns for the Alternative Investments portfolio have exceeded the blended benchmark in all periods shown. Five-year net returns are shown for the AIM Composite, which includes distributed stock (1.07% vs. -3.32%). Ten-year net returns for the AIM Partnership & Direct Composite were 12.88% versus 7.97% for the custom blended benchmark.



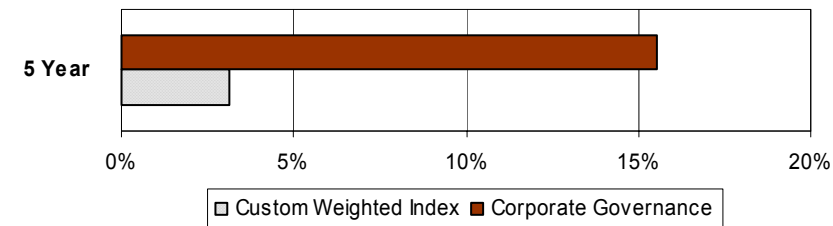
### Absolute Return Strategies:

Net Absolute Return Strategies returns have outperformed all but the month-to-date, quarter-to-date, and three-year period shown. Three-year net returns were 10.23% versus 10.84% for the blended benchmark.



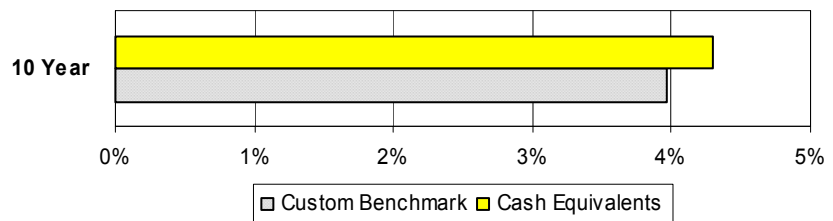
### Corporate Governance:

Net returns to Corporate Governance Investments have exceeded the custom weighted index in all periods shown except for fiscal-year-to-date. Five-year net returns were 15.53% versus 3.11% for the custom weighted index.



### Cash Equivalents:

Net returns for the Cash Equivalents portfolio have exceeded the benchmark in all periods shown. Ten-year net returns were 4.29% versus 3.97% for the benchmark.





**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**CIO REPORT**  
**GROSS RATES OF RETURN**  
**Period Ending October 31, 2005**  
**Investment Committee Meeting December 2005**

	<b>MKT VAL</b> <b>(000'S)</b>	<b>One Month</b> <b>Oct 05</b>	<b>QTR</b> <b>Aug - Oct 05</b>	<b>FYTD</b> <b>05-06</b>	<b>CYTD</b> <b>2005</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
<b>TOTAL PLAN</b>									
SJ1CA1 TOTAL FUND	193,823,578	-1.34	1.11	3.43	6.66	13.60	14.76	4.48	9.27
CALPERS POLICY INDEX		-1.45	0.36	2.56	4.78	11.07	13.18	3.62	8.27
ACTUAL WEIGHTED TOTAL FUND INDEX		-1.62	0.24	0.91	1.18	7.64	12.15	3.01	8.13
<b>GLOBAL EQUITY</b>									
<b>DOMESTIC</b>									
SH8CA1 TOT DOME EQ+IND HG+ENV EX VENT, HDG, CG	74,410,162	-1.64	-1.81	2.20	2.09	10.41	14.39	-0.63	9.53
WILSHIRE 2500 EX TOBACCO (BLENDED)		-1.67	-1.91	2.07	2.03	10.34	14.24	-1.03	9.19
<b>INTERNATIONAL - EXTERNAL</b>									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	37,055,222	-3.55	3.84	7.86	8.21	21.11	22.78	4.32	7.01
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	37,431,285	-3.23	4.09	8.24	10.54	22.77	21.65	3.51	7.36
CALPERS FTSE A-WX US/SSGA BLEND		-3.50	3.64	7.54	7.57	20.24	23.00	4.35	6.95
<b>INTERNATIONAL - INTERNAL</b>									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	5,473,615	-3.13	3.81	7.30					
CALPERS FTSE DEV WORLD EX US & TOBACCO		-3.13	3.71	7.17					
SWCG INTERNATIONAL EQUITY TRANSITION	261,370	-4.15							
<b>HEDGE FUND INVESTMENTS</b>									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,506,025	-1.69	0.79	3.21	6.31	11.94	10.58		
TOTAL ARS PROGRAM BLENDED INDEX		0.53	1.81	2.22	5.80	6.67	10.84		
<b>CORPORATE GOVERNANCE</b>									
SWMKA1 CORPORATE GOVERNANCE	3,659,139	-0.85	5.30	5.03	14.35	31.69	29.85	16.07	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		-0.98	4.57	8.13	8.86	18.79	19.18	3.11	
<b>MDP DOM FIXED INCOME-INVESTMENTS</b>									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	178,407	-0.74	-0.30	-1.09	0.43	0.90	6.01		
CITIGROUP BROAD INVESTMENT GRADE		-0.77	-0.57	-1.45	1.12	1.24	3.96	6.37	6.35
<b>GLOBAL FIXED INCOME</b>									
<b>DOMESTIC</b>									
SJDKA1 TOTAL DOM FIXED	43,849,954	-0.71	-0.61	-1.69	2.25	2.98	7.92	8.08	7.47
CALPERS CUSTOM LEH LPF		-1.37	-1.24	-2.65	1.59	2.11	5.50	7.66	7.08
<b>INTERNATIONAL</b>									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,400,181	-2.09	-2.25	-3.10	-8.04	-1.97	9.63	9.12	5.46
CALPERS WORLD GOVT EX US		-2.06	-2.34	-3.16	-8.54	-2.32	8.87	8.71	4.64
<b>CASH EQUIVALENTS</b>									
SJVKA1 TOTAL CASH	2,303,255	0.47	1.10	1.37	2.73	3.10	1.92	2.72	4.29
CALPERS CUSTOM STIF NET OF FEES		0.32	0.91	1.18	2.49	2.81	1.68	2.39	3.97
<b>ALTERNATIVE INVESTMENTS</b>									
SJAIM AIM COMPOSITE	9,951,015	5.52	8.10	7.76	22.92	23.42	12.37	1.08	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,874,777	5.64	8.22	7.76	23.22	23.42	12.27	1.36	12.88
PERS WILSHIRE 2500/CYFU BLEND		1.66	5.06	6.81	16.56	19.34	8.38	-3.22	7.97
SW2V AIM DISTRIBUTION STOCK	76,237	-8.06	-6.81	-0.22	1.13	9.13	20.87	-10.98	
<b>REAL ESTATE</b>									
SW3CA1 CORE REAL ESTATE	5,297,062	-0.03	16.31	16.48	48.60	57.40	23.77	19.99	16.52
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,069,205	-0.21	6.22	7.51	31.09	39.53	26.66	16.25	15.48
NCREIF PROPERTY 1 QTR LAG INDEX		0.00	5.34	5.34	14.12	18.02	12.08	10.63	11.37

<sup>(1)</sup> SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.  
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

*This report prepared by State Street Bank*

**CALIFORNIA PUBLIC EMPLOYEES' RETIREMENT SYSTEM**  
**CIO REPORT**  
**NET RATES OF RETURN**  
**Period Ending October 31, 2005**  
**Investment Committee Meeting December 2005**

	<b>MKT VAL</b> <b>(000'S)</b>	<b>One Month</b> <b>Oct 05</b>	<b>QTR</b> <b>Aug - Oct 05</b>	<b>FYTD</b> <b>05-06</b>	<b>CYTD</b> <b>2005</b>	<b>1 Year</b>	<b>3 Years</b>	<b>5 Years</b>	<b>10 Years</b>
<b>TOTAL PLAN</b>									
SJ1CA1 TOTAL FUND	193,823,578	-1.34	0.99	3.30	6.19	13.07	14.45	4.25	9.13
CALPERS POLICY INDEX		-1.45	0.36	2.56	4.78	11.07	13.18	3.62	8.27
ACTUAL WEIGHTED TOTAL FUND INDEX		-1.62	0.24	0.91	1.18	7.64	12.15	3.01	8.13
<b>GLOBAL EQUITY</b>									
<b>DOMESTIC</b>									
SH8CA1 TOT DOME EQ+IND HG+ENV EX VENT, HDG, CG	74,410,162	-1.64	-1.81	2.19	2.07	10.39	14.36	-0.65	9.51
WILSHIRE 2500 EX TOBACCO (BLENDED)		-1.67	-1.91	2.07	2.03	10.34	14.24	-1.03	9.19
<b>INTERNATIONAL - EXTERNAL</b>									
SHBCA1 INTL TOT EXT EQ+MDP+IND HG, EX OVLY EX VT	37,055,222	-3.55	3.82	7.85	8.17	21.05	22.71	4.27	6.96
SHBKA1 INTL TOT EXT EQ+MDP+IND HG+OVLY EX VT	37,431,285	-3.23	4.07	8.23	10.50	22.70	21.56	3.46	7.31
CALPERS FTSE A-W X US/SSGA BLEND		-3.50	3.64	7.54	7.57	20.24	23.00	4.35	6.95
<b>INTERNATIONAL - INTERNAL</b>									
SWB3 INTERNAL INTERNATIONAL EQUITY INDEX	5,473,615	-3.13	3.81	7.30					
CALPERS FTSE DEV WORLD EX US & TOBACCO		-3.13	3.71	7.17					
SWCG INTERNATIONAL EQUITY TRANSITION	261,370	-4.15							
<b>HEDGE FUND INVESTMENTS</b>									
SNLCA1 TOTAL ARS PROGRAM COMPOSITE	1,506,025	-1.69	0.74	3.14	6.15	11.74	10.23		
TOTAL ARS PROGRAM BLENDED INDEX		0.53	1.81	2.22	5.80	6.67	10.84		
<b>CORPORATE GOVERNANCE</b>									
SWMKA1 CORPORATE GOVERNANCE	3,659,139	-0.85	5.30	5.02	14.11	31.33	29.21	15.53	
CALPERS TOTAL CORP GOV WEIGHTED INDEX		-0.98	4.57	8.13	8.86	18.79	19.18	3.11	
<b>MDP DOM FIXED INCOME-INVESTMENTS</b>									
SN1KA1 MDP DOM FIXED INCOME-INVESTMENTS	178,407	-0.74	-0.34	-1.13	0.32	0.75	5.78		
CITIGROUP BROAD INVESTMENT GRADE		-0.77	-0.57	-1.45	1.12	1.24	3.96	6.37	6.35
<b>GLOBAL FIXED INCOME</b>									
<b>DOMESTIC</b>									
SJDKA1 TOTAL DOM FIXED	43,849,954	-0.71	-0.61	-1.69	2.24	2.97	7.90	8.07	7.47
CALPERS CUSTOM LEH LPF		-1.37	-1.24	-2.65	1.59	2.11	5.50	7.66	7.08
<b>INTERNATIONAL</b>									
SJDCA1 TOTAL INTERNATIONAL FIXED INCOME	5,400,181	-2.10	-2.27	-3.12	-8.09	-2.05	9.55	9.04	5.38
CALPERS WORLD GOVT EX US		-2.06	-2.34	-3.16	-8.54	-2.32	8.87	8.71	4.64
<b>CASH EQUIVALENTS</b>									
SJVKA1 TOTAL CASH	2,303,255	0.47	1.10	1.37	2.73	3.10	1.92	2.72	4.29
CALPERS CUSTOM STIF NET OF FEES		0.32	0.91	1.18	2.49	2.81	1.68	2.39	3.97
<b>ALTERNATIVE INVESTMENTS</b>									
SJAIM AIM COMPOSITE	9,951,015	5.52	8.09	7.75	22.90	23.40	12.35	1.07	
SJXKA1 AIM: PARTNERSHIP & DIRECT INVESTMENTS	9,874,777	5.64	8.22	7.76	23.22	23.42	12.27	1.36	12.88
PERS WILSHIRE 2500/CYFU BLEND		1.66	5.06	6.81	16.56	19.34	8.38	-3.22	7.97
SW2V AIM DISTRIBUTION STOCK	76,237	-8.22	-6.97	-1.10	-0.01	7.89	19.75	-11.89	
<b>REAL ESTATE</b>									
SW3CA1 CORE REAL ESTATE	5,297,062	-0.03	13.36	13.53	38.49	46.28	19.98	17.25	14.77
SW7KA1 TOTAL NON-CORE REAL ESTATE	4,069,205	-0.21	4.93	6.21	21.69	28.65	21.11	12.31	12.81
NCREIF PROPERTY 1 QTR LAG INDEX		0.00	5.34	5.34	14.12	18.02	12.08	10.63	11.37

<sup>(1)</sup> SJXKA1 actual inception 3/90, returns only available since conversion to State Street Bank. Excludes MDP venture accounts in composites SW9C, SWDC.  
Private Real Estate valued at prior quarter-end; Public Real Estate valued at current month-end.

*This report prepared by State Street Bank*

## Investment Operations Report – October 31, 2005

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### Status Report

- There were 4 (four) items reported
- Detailed Reporting is contained in the supplemental reporting document.

### Closed Session Transactions

- There were 3 (three) closed session transactions reported to the Board in Open Session per the requirements of California Government Code Section 20191.5 and the current CalPERS Board of Administration Statement of Policy & Procedures for Closed Sessions.

## Activity Reports – October 31, 2005

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- Staff prepares activity reports for the AIM, Absolute Return Strategies and Opportunistic Real Estate Programs. Detailed reports and investment summaries for the AIM and Risk Managed Absolute Return Strategies are included in the supplemental reporting document. Opportunistic Real Estate Investments will be reported below as they occur.

### AIM Activity Report

Activity	Month	2003	2004	2005 YTD	Since Inception
Investment Proposals Received	33	298	381	269	5734
Declined/Referred/Failed to Materialize	13	206	223	341	4504
Deals in Screening	118	298	397	270	2747
Due Diligence Reviews	27	25	65	46	492
Authorized Investments (\$ Millions)	\$902.5	\$995.0	\$1,697.5	\$4,600.5	\$28,008.8

### Risk Managed Absolute Return Strategies Program Activity Report

Activity	2003	2004	2005 YTD	Since Inception
Information Received	181	59	51	549
Declined	108	12	1	236
Deals in Screening	72	45	50	295
Due Diligence Reviews	1	5	18	39
Approved by ARS Board	1	5	18	37
Funded Investments (\$ Millions)	\$95	\$149	\$508	\$1,236

### Opportunistic Real Estate Investments Activity Report

Activity	Month
Kennedy Wilson SDL Hospitality Co-Invest Fund, LP	October 2005

## Quarterly Reports – September 30, 2005

According to policy requirements, the following is summary information extracted from the quarterly reports prepared for Investment Committee consideration. All Quarterly Reports are presented as of quarter ending September 30, 2005. Executive Summaries and Full Reports are available in the supplemental reporting document.

### CalPERS Affiliate Funds:

#### Total Fund Performance Results

#### Total Fund Performance Periods Ended September 30, 2005

	<u>Qtr</u>	<u>One Year</u>	<u>Three Year</u>	<u>Five Year</u>	<u>Ten Year</u>
<b>Judges II</b>	1.7%	12.5%	14.0%	3.5%	-.-
<i>Weighted Policy Benchmark <sup>1</sup></i>	3.2	11.5	13.4	3.3	-.-
<b>Long Term Care ("LTC")</b>	2.1	12.1	14.3	3.0	-.-
<i>Weighted Policy Benchmark</i>	2.8	10.5	13.3	2.8	-.-
<b>Volunteer Firefighters ("VFF")</b>	3.6	14.2	14.4	2.9	9.3
<i>Weighted Policy Benchmark</i>	3.6	11.8	13.3	2.7	9.2
<b>SF Healthcare</b>	0.9	2.8	2.1	3.2	-.-
<i>TUCS Public Fund Median <sup>2</sup></i>	3.9	13.6	14.0	4.5	8.7

<sup>1</sup> The weighted policy benchmark returns for Judges II, LTC, and VFF are based on asset class index returns weighted by asset class policy targets.

<sup>2</sup> The Trust Universe Comparison Service (TUCS) is a universe of over 1,000 client portfolio returns subdivided by client type and asset class.

## Quarterly Reports – September 30, 2005

### CalPERS Affiliated Funds (cont.)

#### Asset Allocation

	Judges II Actual	Judges II Policy		LTC Actual	LTC Policy		VFF Actual	VFF Policy	
			Diff			Diff			Diff
US Equity	32.4%	34.0%	-1.6%	28.9%	29.0%	-0.1%	32.1%	34.0%	-1.9%
Int'l Equity	19.5	20.0	-0.5	19.8	19.0	0.8	19.3	20.0	-0.7
US Bonds	29.8	36.0	-6.2	38.6	30.0	8.6	33.6	36.0	-2.4
High Yield	0.8	0.0	0.8	0.8	10.0	-9.2	0.0	0.0	0.0
TIPS	3.8	0.0	3.8	7.0	7.0	0.0	0.0	0.0	0.0
Real Estate	9.4	10.0	-0.6	4.9	5.0	-0.1	9.3	10.0	-0.7
Cash	<u>4.3</u>	<u>0.0</u>	<u>4.3</u>	<u>0.1</u>	<u>0.0</u>	<u>0.1</u>	<u>5.8</u>	<u>0.0</u>	<u>5.8</u>
Total	100.0	100.0	0.0	100.0	100.0	0.0	100.0	100.0	0.0

#### Commentary

- ◆ Judges II and LTC lagged their respective weighted policies, and VFF mirrored its policy during the third quarter of 2005. Among the three plans, VFF had the smallest allocation to fixed income, which was the worst performing segment over the quarter, and it helped performance. Effective July 1<sup>st</sup>, the LTC policy reflects additional allocation targets to High Yield, Real Estate and TIPS. Judges II is also showing new allocation to High Yield and TIPS, however no official targets have been assigned to these segments.

## Quarterly Reports – September 30, 2005

### Legislators' Retirement System:

#### Total Fund Performance Results

##### Total Fund Performance Periods Ended September 30, 2005

	<u>Qtr</u>	<u>One Year</u>	<u>Three Year</u>	<u>Five Year</u>	<u>Ten Year</u>
<b>LRS</b>	<b>-0.3%</b>	<b>9.2%</b>	<b>11.2%</b>	<b>4.6%</b>	<b>8.9%</b>
<i>Weighted Policy Benchmark</i> <sup>3</sup>	1.3	9.2	10.8	5.2	9.1
<i>TUCS Public Fund Median</i> <sup>4</sup>	3.9	13.6	14.0	4.5	8.7

#### Asset Allocation

Asset Class	Actual	Policy	Difference
US Equity	27.1%	30.0%	-2.9%
International Equity	9.3	10.0	-0.7
US Bonds	54.5	50.0	4.5
TIPS	9.1	10.0	-0.9
Cash Equivalents	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>
	100.0	100.0	0.0

#### Commentary

- ♦ The California Legislators' Retirement System ("LRS, the System") generated a return of -0.3%, during the third quarter of 2005, trailing its weighted policy index over the quarter, as well as for the 5 year and 10 year time periods. The LRS has also underperformed relative to the TUCS public Fund Median during the quarter and the 1 year and 3 year time periods.
- ♦ As of quarter-end, the System's market value was \$136.4 million, which represents a net decrease of approximately \$0.3 million from the beginning of the quarter. The change in market value consisted of net distributions and administrative fees of \$2.3 million and a net investment gain of \$2.0 million.

<sup>3</sup> The weighted policy benchmark returns are based on asset class index returns weighted by asset class policy targets.

<sup>4</sup> The Trust Universe Comparison Service (TUCS) is a universe of over 1,000 client portfolio returns subdivided by client type and asset class.

## Quarterly Reports – September 30, 2005

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### Deferred Compensation Program Reports:

#### US Treasury Intermediate Term Fund:

	<u>12/96</u>	<u>12/97</u>	<u>12/98</u>	<u>12/99</u>	<u>12/00</u>	<u>12/01</u>	<u>12/02</u>	<u>12/03</u>	<u>12/04</u>	<u>09/05</u>
Market Value (\$ Millions)	41.4	44.9	56.9	48.4	48.9	53.3	58.1	55.6	20.7	20.9

PERFORMANCE\*  
For Periods Ended September 30, 2005

	<u>Qtr.</u>	<u>1 Yr.</u>	<u>3 Yr. Annualized</u>	<u>5 Yr. Annualized</u>
U.S. Treasury Intermediate Term	-0.22%	1.33%	2.24%	5.49%
<u>Benchmark:</u> CalPERS Custom Lehman 1-10	-0.61%	1.00%	1.94%	5.20%

Comments: The third quarter of 2005 began with the yield on the U.S. Treasury 3 year note at 3.65% and the 5 year Note at 3.70%. During the quarter, interest rates rose in short term notes with maturities from 2 to 10 years. These changes occurred due to a combination of factors which include a decline in demand for short term U.S. debt from foreign buyers and continued pressure on short term yield levels as the Federal Reserve continued to raise the fund rate. This resulted in a fall in the price of short term Notes as yields rose. During the quarter the Federal Reserve increased the Federal Funds Rate from 3.25% to 3.75%. The 3 year note ended the quarter at 4.17 and the 5 year Note at 4.19%.

\*Gross performance. Savings CalPERS 457 Program has asset management fees of .29% per year and an administration fee of .26% per year.

## Quarterly Reports – September 30, 2005

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### Deferred Compensation Program Reports (cont.)

#### US Treasury Short Term Fund:

	<u>12/96</u>	<u>12/97</u>	<u>12/98</u>	<u>12/99</u>	<u>12/00</u>	<u>12/01</u>	<u>12/02</u>	<u>12/03</u>	<u>12/04</u>	<u>09/05</u>
Market Value (\$ millions)	35.5	40.8	49.5	50.5	53.8	56.3	52.6	48.1	23.1	24.4

#### PERFORMANCE\* For Periods Ended September 30, 2005

	<u>Qtr.</u>	<u>1 Yr.</u>	<u>3 Yr. Annualized</u>	<u>5 Yr. Annualized</u>
U.S. Treasury Short Term	0.83%	2.56%	1.58%	2.30%
<u>Benchmark:</u>				
PERS 1 Month T-Bill	0.76%	2.37%	1.51%	2.19%

Comments: During the third quarter of 2005, 1-month T-Bills traded in a range of 2.87% to 3.43. 1-month T-Bills begin the quarter at 2.97 and ended the quarter at 3.11%. The Bill's rate rose as during the quarter the FOMC raised the Fed Funds target rate from 3.25% to 3.50% on August 9 and to 3.75% on September 20.

\*Gross performance. CalPERS 457 Program has asset management fees of .29% per year and an administration fee of .26% per year.



## Quarterly Reports – September 30, 2005

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### Deferred Compensation Program Reports (cont.)

	<u>12/96</u>	<u>12/97</u>	<u>12/98</u>	<u>12/99</u>	<u>12/00</u>	<u>12/01</u>	<u>12/02</u>	<u>12/03</u>	<u>12/04</u>	<u>09/05</u>
Market Value (\$ millions)	127.3	265.0	480.4	887.1	831.6	744.3	581.7	821.1	932.2	943.8
PERFORMANCE*										
For Periods Ended September 30, 2005										
				<u>Qtr.</u>		<u>1 Yr.</u>	<u>3 Yr.</u>	<u>5 Yr.</u>		
							<u>Annualized</u>	<u>Annualized</u>		
S&P 500 Index Fund				3.59%		12.26%	16.63%	-1.58%		
<u>Benchmark:</u>										
S&P 500 Index				3.61%		12.25%	16.72%	-1.49%		

Comments: For the quarter, the portfolio returned -2bps versus the S&P 500 index. The NAV returns for the quarter and one-year period were 3.59% and 12.26% versus the benchmark's 3.61% and 12.25% respectively. The S&P 500 Index Fund began in November 1991 with the Savings Plus Program and grew as the CalPERS 457 Program was added in February 1995.

\*Gross performance. As of July 1, 1996 asset management fees for the Savings Plus Program were renegotiated to .056% per year. Prior to July 1, 1996 Savings Plus Program had asset management fees of .16% per year. CalPERS 457 Program has asset management fees of .09% per year and an administration fee of .26% per year. \*\*Above returns are calculated using Internal Rate of Return (IRR).

## Quarterly Reports – September 30, 2005

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### Securities Lending Earnings:

Earnings for the quarter ended September 30, 2005, are presented to the Investment Committee for information.

<b>Asset Class</b>	<b>Average Lendable Assets (\$ 000)</b>	<b>Average % on Loan</b>	<b>Net Margin (Annualized)</b>	<b>Net Income to CalPERS (\$ 000)</b>
Global Equities	\$ 108,299,016	20%	45 bp	\$ 24,190
Global Fixed Income	\$ 29,650,571	50%	21 bp	\$ 7,921
<b>Total Program</b>	<b>\$ 137,949,587</b>		<b>35 bp</b>	<b>\$ 32,111</b>

### Policy Violations:

- Boston Global Advisors did not violate the policy during the third quarter of the calendar year.
- Credit Suisse First Boston (CSFB) violated the policy during the third quarter of the calendar year. As a result of a temporary decrease of collateral balances, CSFB exceeded the single repo balance limit for a period of eight days.
- eSecLending did not violate the policy during the third quarter of the calendar year.
- Metropolitan West did not violate the policy during the third quarter of the calendar year.
- State Street Bank did not violate the policy during the third quarter of the calendar year.

### Results:

The securities lending program generated \$32.1 million of net income for the quarter ended September 30, 2005. The average market value of securities on loan for the quarter was \$36.5 billion.

## Quarterly Reports – September 30, 2005

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### Supplemental Savings Programs:

- CalPERS 457 Program - During the third quarter ending September 30, 2005, the CalPERS 457 Program experienced a \$ 28.1 million (6.4%) net increase in assets for a total of \$470.9 million. The number of participants grew by 476 (2.4%), to 19,931, and agency adoptions by 12 (2.3%), to 536.
- Peace Officers' and Firefighters' Defined Contribution Plan - The POFF Plan assets grew .2% from last quarter, to \$247.6 million. The number of participants increased by 4.6%, for a total of 35,001.
- Supplemental Contributions Program - The SCP assets grew 6.3% from last quarter, to \$21.8 million. The number of participants decreased by 17 to 913, for a -1.8% decrease.
- Savings Plus Program - In the Savings Plus Program, the S & P 500 Index Fund totaled \$848.9 million in assets under management, representing an increase of \$25.1 million (3%) over the previous quarter.

## Investment Transactions – September 30, 2005

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Investment Transactions are reported to the Investment Committee for review under the requirements of California Government Code Section 20191. Information is provided in summary format in this consolidated document. Full reporting is available in the supplemental reporting document.

### **Portfolio Summary and Transactions Report:**

- Purchases – Internal Management (Page 22)
- Sales – Internal Management (Page 23)
- Currency Hedge Portfolio Summary (Page 24)
- Currency Hedge Portfolio Transactions (Page 24)

### **Investment Transaction Information as of 09/30/2005:** [\(full reporting is available in the supplemental reporting document\)](#)

- Fixed Income Transactions
  - Internal Domestic
  - External International and High Yield
  - Special Mortgage Investment Program Transactions
  - High Yield Performance
- Equity Summary & Transactions
  - Internal Domestic
  - Corporate Actions
  - External Domestic
  - External International
- Internal Programs
  - Closed Real Estate Transactions Summary
    - Dispositions Summaries
      - Reef-CalSmart – Benicia Fleetside, CalPERS share \$479,639.00
      - Reef-CalSmart – Benicia Fleetside, CalPERS share \$801,108.00
      - GID – Windsor at Fairlane Meadows, CalPERS share \$26,321,970.00
      - Reef-CalSmart – Oakesdale Commerce, CalPERS share \$1,439,371.00
      - Reef-CalWest – 3001 Sturgis Road, CalPERS share \$4,770,011.00
      - GID – Windsor at Pembroke Cay II, CalPERS share \$45,893,002.00
      - Reef-CalSmart – Cypress Corporate Park, CalPERS share \$4,647,951.00
      - Reef-CalWest – Miami Land Property, CalPERS share \$5,556,235.00
      - BlackRock Realty – Overlook at Magnolia, CalPERS share \$43,946,214.00
      - GID – Windsor at Pembroke Cay, CalPERS share \$86,634,736.00
      - LaSalle-CalEast, Rockaway Commons, CalPERS share \$3,673,172.00
      - LaSalle-CalEast, CLH Lots 3 & 4, CalPERS share \$2,294,261.00
      - LaSalle-CalEast, Henry County Building 3, CalPERS share \$16,709,038.00
      - LaSalle-CalEast, Keystone Portfolio, CalPERS share \$213,720,318.00

## Investment Transactions – September 30, 2005

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**Investment Transaction Information as of 09/30/2005 (continued):** [\(full reporting is available in the supplemental reporting document\)](#)

- Acquisition Summaries
  - BlackRock Realty – 30 Park Avenue, CalPERS share \$85,424,076.00
  - LaSalle-CalEast – Aeroterm Rickenbacker, CalPERS share \$17,796,756.00
  - BlackRock Realty – Balcones Ranch, CalPERS share \$3,847,500.00
  - BlackRock Realty – Highlands at Morris Plains, CalPERS share \$9,627,801.00
  - Buchanan Street – Rim Pacific Nova Portfolio, CalPERS share \$19,610,442.00
  - Rreef-CalSmart – China Basin Landing, CalPERS share \$56,015,341.00
  - BlackRock Realty – Sterling Park, CalPERS share \$34,057,500.00
  - Miller Capital – The Meridian, CalPERS share \$25,000,000.00
  - LaSalle-CalEast – 2100 N. 15<sup>th</sup> Avenue, CalPERS share \$3,513,300.00
  - BlackRock Realty – Desmond's Tower, CalPERS share \$24,320,000.00
- AIM Program Transactions
- Summary Listing of Capital Calls and Aggregate Distributions
- AIM Program Investments Completed under Delegation of Authority
  - Investment Summaries
    - Avenue Special Situations Fund IV, L.P. \$150 million commitment
    - Blackstone Capital Partners V, L.P. \$400 million commitment
    - Candover 2005, L.P. €150 million
    - Rosewood Capital V, L.P. \$52.5 million commitment
    - Welsh Carson Anderson & Stowe X, L.P. \$175 million commitment
- Risk Managed Absolute Return Strategies Program Items Completed Under Delegation of Authority
  - Investment Summaries
    - No items to report

## Portfolio Summary and Transactions

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### INVESTMENT TRANSACTIONS SUMMARY

(\$ Millions)

September 30, 2005

#### PURCHASES

#### INTERNAL MANAGEMENT

	<u>PAR</u>	<u>COST</u>	<u>ANNUALIZED YIELD</u>	<u>%OF LONG TERM PURCHASES</u>
<b><u>ALTERNATIVE INVESTMENTS:</u></b>				
Partnership Component	1,397.8	\$637.9	N/A	3.72%
<b><u>BONDS:</u></b>				
Utilities & Industrials	122.0	\$129.1	6.04%	0.75%
Sovereign	<u>15.4</u>	<u>15.8</u>	4.37%	<u>0.09%</u>
Total	137.4	\$144.9		0.84%
<b><u>GOVERNMENTS:</u></b>				
U.S. Agencies & Treasuries	1,127.4	\$1,258.1	4.57%	7.33%
<b><u>MORTGAGE SECURITIES:</u></b>				
Pass-Through	1,169.4	\$1,161.1	5.13%	6.77%
CMO	<u>1,366.2</u>	<u>1,372.1</u>	<u>5.46%</u>	<u>8.00%</u>
Total	2,535.6	\$2,533.2		14.77%
<b><u>EQUITIES:</u></b>				
Common Stock		\$4,203.7	N/A	24.51%
<b>EXTERNAL MANAGEMENT</b>				
<b><u>EQUITIES AND FIXED INCOME:</u></b>				
International Common Stock		\$3,763.6	N/A	21.94%
Domestic Common Stock		2,965.4	N/A	17.29%
International Fixed Income		<u>1,645.7</u>	N/A	<u>9.59%</u>
Total		\$8,374.7		48.82%
<b>TOTAL PURCHASES:</b>		<b>\$17,152.5</b>		<b>100%</b>

## Portfolio Summary and Transactions

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### INVESTMENT TRANSACTIONS SUMMARY

(\$ Millions)

September 30, 2005

#### SALES

#### INTERNAL MANAGEMENT

	<u>PAR</u>	<u>COST</u>	<u>PROCEEDS</u>	<u>GAIN/ LOSS</u>
<b><u>ALTERNATIVE INVESTMENTS:</u></b>				
Partnership Component	1.1	\$15.7	\$15.7	\$0.0
<b><u>BONDS:</u></b>				
Utilities & Industrials	0.0	\$0.0	\$0.0	\$0.0
Sovereign	<u>15.5</u>	<u>15.3</u>	<u>15.4</u>	<u>0.0</u>
Total	15.5	\$15.3	\$15.4	\$0.0
<b><u>GOVERNMENTS:</u></b>				
U.S. Agencies & Treasuries	2,064.1	\$2,179.8	\$2,166.8	(\$13.0)
<b><u>MORTGAGE SECURITIES:</u></b>				
Pass-Through	1,742.3	\$1,725.8	\$1,730.8	\$4.9
CMO	<u>0.0</u>	<u>0.0</u>	<u>0.0</u>	<u>\$0.0</u>
Total	1,742.3	\$1,725.8	\$1,730.8	\$4.9
<b><u>EQUITIES:</u></b>				
Common Stock		\$5,243.0	\$5,375.1	\$132.1
<b>EXTERNAL MANAGEMENT</b>				
<b><u>EQUITIES AND FIXED INCOME:</u></b>				
International Common Stock		\$3,193.8	\$4,068.1	\$874.3
Domestic Common Stock		1,269.7	1,324.2	54.6
International Fixed Income		<u>1,568.4</u>	<u>1,585.9</u>	<u>17.4</u>
Total		\$6,031.9	\$6,978.2	\$946.3
<b>TOTAL SALES:</b>		<b>\$15,211.6</b>	<b>\$16,281.9</b>	<b>\$1,070.3</b>

## Portfolio Summary and Transactions

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### CURRENCY HEDGE PORTFOLIO SUMMARY

(\$ Millions)

September 30, 2005

<u>PENDING FX CONTRACTS</u>	<u>COST</u>	<u>MARKET VALUE</u>
Total FX Purchased	\$3,148.1	\$3,071.6
Total FX Sold	\$10,972.7	\$10,603.0

### CURRENCY OPTIONS

Currency Puts	\$369.4	\$369.4
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"For FX purchased, a market value higher than book value means the contracts have an unrealized gain as of the valuation date. For FX sold, a market value lower than book value means the contracts have an unrealized gain as of the valuation date."

### CURRENCY HEDGE TRANSACTION SUMMARY

(\$ Millions)

September 30, 2005

<u>PURCHASES</u>	<u>COST</u>
Pending FX Contracts	\$1,077.6

<u>SALES</u>	<u>PROCEEDS</u>
Pending FX Contracts	\$1,680.8



## Affiliate Funds Report- October 31, 2005

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Staff has compiled the following investment transaction and portfolio summary reports prepared by the Custodian for the Affiliate Funds for the month ending October 31, 2005.

**Affiliate Funds Allocation and Transaction Reports:** [\(full reporting is available in the supplemental reporting document\)](#)

### Legislators' Retirement Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
AFFILIATE TIPS	\$133,766,636	50.523	\$130,687,603	49.503
LEG-INTERNATIONAL - SSGA	\$8,460,897	3.196	\$13,224,957	5.009
LEGISTRATORS RETIREMENT TOTAL FUND	\$122,536,534	46.281	\$120,087,387	45.488
<b>TOTAL</b>	<u>\$264,764,067</u>	100.000	<u>\$263,999,947</u>	100.000

### Judges' Retirement Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
JUD-INTERNAL SHORT TERM - CALPERS	\$34,868	100.000	\$34,868	100.000
<b>TOTAL</b>	<u>\$34,868</u>	100.000	<u>\$34,868</u>	100.000

## Affiliate Funds Report- October 31, 2005

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### Judges II Retirement Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
JUDGES II - INTERNATIONAL - SSGA	\$21,799,079	13.036	\$34,390,180	19.295
JUDGES II TOTAL FUND	\$145,419,914	86.964	\$143,840,520	80.705
<b>TOTAL</b>	<u>\$167,218,993</u>	100.000	<u>\$178,230,700</u>	100.000

### Public Employees' Medical & Hospital Care Act Contingency Reserve Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
CRF INTERNAL SHORT TERM - CALPERS	\$6,742,456	100.000	\$6,742,456	100.000
<b>TOTAL</b>	<u>\$6,742,456</u>	100.000	<u>\$6,742,456</u>	100.000

### Volunteer Firefighters Length of Service Award Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
VFF INTERNAL SHORT TERM - CALPERS	\$777,483	100.000	\$2,798,397	100.000
<b>TOTAL</b>	<u>\$777,483</u>	100.000	<u>\$2,798,397</u>	100.000

## Affiliate Funds Report- October 31, 2005

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### Supplemental Contribution Fund:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
SCP TOTAL FUND	\$16,536,250	85.405	\$16,573,885	79.776
SUPPLEMENTAL CONTRIBUTION - INTL EQUITY	\$2,825,921	14.595	\$201,567	20.224
<b>TOTAL</b>	<u>\$19,362,171</u>	100.000	<u>\$16,775,452</u>	100.000

### Self Fund Health Care:

<u>Asset</u>	<u>BOOK VALUE</u>	<u>PERCENT OF PORTFOLIO</u>	<u>MARKET VALUE</u>	<u>PERCENT OF PORTFOLIO</u>
SELF FUND HEALTH - CALPERS	\$91,333,978	100.000	\$91,201,427	100.000
<b>TOTAL</b>	<u>\$91,333,978</u>	100.000	<u>\$91,201,427</u>	100.000